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FISCAL IMPACT STATEMENT

LS 6698

BILL NUMBER: SB 231

NOTE PREPARED: Mar 1, 2006

BILL AMENDED: Mar 1, 2006

SUBJECT: Academic Honors Diploma Grants.

FIRST AUTHOR: Sen. Alting

FIRST SPONSOR: Rep. Behning

BILL STATUS: As Passed House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) This bill allows a school corporation to use its Academic Honors Diploma Award to purchase savings bonds for students graduating in 2006 and 2007 who earn an Academic Honors Diploma. It also allows a public high school to honor any commitment given and published in a student handbook concerning academic honors before January 1, 2005, for students graduating in 2005, 2006, and 2007.

Effective Date: January 1, 2005 (retroactive); January 1, 2006 (retroactive).

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Until January 1, 2006, school corporations could grant monetary awards to students who earned an honors diploma. The bill would allow a school to use the honors award distribution to purchase United States savings bonds for students who earn an honors diploma during the 2006 and 2007 school years. It is unknown how many schools would choose to offer savings bonds to students earning Academic Honors Diplomas. The impact would probably be minor.

The bill also allows a school to honor a commitment published in the school's student handbook made before January 1, 2005, on the use of the academic honors awards. It is unknown how many schools had provisions in their student handbooks that the student could receive a monetary award if an academic honors diploma was earned. The maximum number of schools that might be eligible is 60.

The bill only applies to the 2006 and 2007 graduating class.

Background: The following table describes the number of schools and the amount of academic honors diploma monetary awards granted per school year.

School Year	Number of Schools	Amount Disbursed
2004-2005	60	\$1.6 M
2003-2004	68	\$1.7 M
2002-2003	64	\$1.6 M
2001-2002	67	\$1.7 M
2000-2001	56	\$1.2 M
1999-2000	49	\$0.9 M

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: School corporations.

Information Sources: DOE SAS and ORACLE DATABASES.

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